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## OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 10th day of June, 2008, between Mary Ann Kleuser and Joan Kline and Jay E. Sandelin, Lessor (whether one or more), whose address is:1065 W Magnolia Ave Ste A, Fort Worth TX 76104-4477, and XTO Energy Inc., whose address is: 810 Houston St., Fort Worth, Texas 76102, Lessee, WiTNESSETH

1. Lessor, in consideration of ten dollars and other valuable consideration, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the agreements of exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to exclusive right of exploring, mining and operating tor, producing and owning oil, gas, sulphur and all other minerals produced those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface those mentioned), together with the right to make surveys on said land, lay pipe lines, employee houses and other structures disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures disposal of salt water, constructives of said tanks, produced on said land, receipt and transporting minerals produced on said land, necessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced on said land, receipt and transporting minerals produced on said land, and transporting minerals produced on said land, and transporting minerals produced on said land, and transporting min

## FOR A DESCRITION OF THE LAND BEING LEASED SEE THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART OF THIS LEASE

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by limitation, prescription, possession, reversion, after-acquired title or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 0.8915 acres, whether actually containing more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

- Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of Three (3) years from the date hereof, hereinafter called "primary term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.
- Three (3) years from the date hereof, hereinafter called "primary term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

  3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, the equal 2,25% part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay lessor interest, in either case, to bear 25,25% part of such oil at the wells as of the day it is run to the pipe line or storage tanks, and lesses as the control of the amount realized by Lessee, computed at casingheed gas produced from said land (7) when sold by Lessee, of said land or in the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market or utilized by Lessee of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market or utilized by Lessee of the well, or (2) when used the value of the well, or (2) when used by Lessee (2) the production of said land or or one dollar (3) (3) per long ton, if, at the expiration of the primary leave and the production of the primary portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, inst lease in the primary leave the production of the primary leave the production of th
- provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owner of years.

  4. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land, lease, or leases, as to any or all minares or fortizons, so as to establish units containing not more than 80 surface acres, but only only one or more horizons, or existing units may be enlarged as byte 10% acreage between, or horizons, or existing units may be enlarged as byte 10% acreage between, it illumited to one or more of the following any one or more horizons, or existing units may be enlarged as (1) gas, other than casinghead gas, (2) little processor of the following one or more horizons, so as to containing or the order of the following of the containing or the processor of the following of the containing or the processor of the following processor of the containing or the processor of the processor
- Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.
- 6. Whenever used in this lease the word "operations" shall mean operations for and/or any of the following: preparing the drillsite location or access road, drilling, testing, completing, reworking, recompleting, deepening, sidetracking, plugging back or repaining of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other mineral, whether or not in paying quantities.

7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the Lessor, Lessee shall pay for damages caused by its operations to growing crops and timber on said land.

8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royalties, or other moneys, or any part thereof, howsoever effected, of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to Lessee, its successors or assigns, no change or division in the ownership of said land or of the royalties, or other moneys, or the right to receive the same, howsoever effected, shall be binding upon the then record owner of this lease until sixty (60) days after there has been furnished to such record owner at his or its principal place of business by Lessor or Lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly records and proceedings, transcripts, or other documents as shall be necessary in the opinion of such record owner to establish the validity of such change or division. If any such change in ownership occurs by reason of the death of the owner, Lessee may, nevertheless pay or tender such royalties, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.

9. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after receipt after service of such notice on Lessee. Neither the service of said notice shall be brought until the lapse of sixty (60) days alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less that forty acres), such acreage require; and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land or convenient for current operations.

10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and agrees that Lessee shall have the right at any time to pay or reduce same for Lessor, either before or after maturity, and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royatties or other payments payable or which may become payable to Lessor and/or assigns under this lease. If this lease covers a less interest in the oil, gas, suphur, or other minerals in all or any part of said land than the noneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest or not owned by Lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.

11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.

12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.

13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.

14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lessee may encounter difficulty securing surface location(s) for drilling, reworking or other operations. Therefore, since drilling, operations conducted at a surface location off of said land or other leases in the vicinity, it is agreed that any such provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under said land or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on said land. Nothing except as expressly stated.

15. This is a non-development Oil, Gas and Mineral lease, whereby Lessee, its successors or assigns, shall not conduct any operations, as defined herein, on the surface of said lands. However, Lessee shall have the right to pool or unitize said land, or part thereof, with other lands to comprise an oil and/or gas development unit.

16. Lessee is hereby given the option, to be exercised prior to the date on which this lease or any portion thereof would expire in accordance with its terms and provisions of extending this lease for a period of two (2) years as to all or any portion of the acreage then held hereunder which would expire unless so extended. The only action required by Lessee to exercise such option being the payment to Lessor (or for Lessor's credit at the depository bank named herein) and/or such parties entitled under any change of ownership according to Lessee's records, an additional consideration of the sum of Fifteen Thousand Dollars (\$15,000.00) per net mineral acre owned by the party entitled to such payment at such time of extension, in the acreage so extended. If this lease is extended as to only a portion of the acreage then covered hereby, Lessee shall designate such portion by a recordable instrument.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Mary Art Newson

Jay E. Sandelin

This instrument was acknowledged before me on the

Signature

Signature

Notary Public

Notary Public

Printed

My commission expires:

Seal:

ANA M. HUGHEY
Notary Public
STATE OF TEXAS

My Comm. Exp. 03/22/2012

## EXHIBIT 'A'

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED MAY 30, 2008 FROM MARY ANN KLEUSER AND JOAN KLINE AND JAY E. SANDELIN, AS LESSOR, TO XTO ENERGY, INC., AS LESSEE.

BEING 0.8915 acres of land, more or less, and being described in FIVE TRACT(S) as follows:

Being 0.2858 acres of land, more or less, and being Blk Lot E a part of May Street Condominiums, an Addition to the City of Fort Worth, Tarrant County, Texas and being more particularly described as a Deed dated 3/1/1993 and recorded at Instrument # D193041504 of the Deed Records of Tarrant County, Texas.

Being 0.0928 acres of land, more or less, and being Blk Lot D a part of May Street Condominiums, an Addition to the City of Fort Worth, Tarrant County, Texas and being more particularly described as a Deed dated 3/1/1993 and recorded at Instrument # D193041504 of the Deed Records of Tarrant County, Texas.

Being 0.1247 acres of land, more or less, and being Blk Lot C a part of May Street Condominiums, an Addition to the City of Fort Worth, Tarrant County, Texas and being more particularly described as a Deed dated 3/1/1993 and recorded at Instrument # D193041504 of the Deed Records of Tarrant County, Texas.

Being 0.2229 acres of land, more or less, and being Blk Lot B a part of May Street Condominiums, an Addition to the City of Fort Worth, Tarrant County, Texas and being more particularly described as a Deed dated 3/1/1993 and recorded at Instrument # D193041504 of the Deed Records of Tarrant County, Texas.

Being 0.1653 acres of land, more or less, and being Blk Lot A a part of May Street Condominiums, an Addition to the City of Fort Worth, Tarrant County, Texas and being more particularly described as a Deed dated 3/1/1993 and recorded at Instrument # D193041504 of the Deed Records of Tarrant County, Texas.

Joan Kline
July Muller

Signed for Identification:

Mary Ann Kleuser

Mary Ann Kleuser

Joan Kline

Jay E. Sandelin